

EXHIBIT II

Attachments: Notice of Information Requested.pdf

From: Jen Loucks <jloucks@capfundinc.com>

Sent: Friday, January 26, 2024 1:19 PM

To: Mark Petersen <mpetersen@petersenhc.com>; Marikay Snyder <msnyder@petersenhc.com>; David R. Campbell - Getzler Henrich & Associates LLC (dcampbell@getzlerhenrich.com) <dcampbell@getzlerhenrich.com>

Cc: Tinkham, Paige B. <paige.tinkham@blankrome.com>; Ottaviano, Ken <ken.ottaviano@blankrome.com>

Subject: Notice of Information Requested

Some people who received this message don't often get email from jloucks@capfundinc.com. [Learn why this is important](#)

Good Afternoon Mr. Petersen,

Attached please find a Notice of Information Request from Capital Funding, LLC for the following facilities:

FHA Number 071-22292 Timbercreek Rehabilitation and Health Care Center

FHA Number 071-22293 Batavia Rehabilitation & Health Care Center

FHA Number 071-22294 Fondulac Rehabilitation & Health Care Center

FHA Number 071-22298 Bloomington Rehabilitation & Health Care Center

FHA Number 071-22300 Sunset Rehabilitation & Health Care

FHA Number 072-22143 Eastside Health & Rehabilitation Center

FHA Number 072-22147 Cisne Rehab & Health Care Center

FHA Number 072-22148 Benton Rehab & Health Care Center

FHA Number 084-22053 Ozark Rehabilitation & Health Care Center

In addition to this email, the original will be sent via FedEx to the following address:

Petersen Health Operations, LLC

830 West Trailcreek Drive

Peoria, Illinois 61614

Attn: Mark B. Petersen

If you have any questions, please feel free to contact us.

Thank you,

Jen

Jennifer Loucks

Director of HUD Asset Management/Controller

1422 Clarkview Road

Baltimore, MD 21209

(410) 513-8725 Direct

(443) 761-6440 Fax

(410) 804-6441 Cell

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CAPITAL FUNDING, LLC
1422 Clarkview Road
Baltimore, Maryland 21209

January 26, 2024

Via Email and Overnight Mail

Batavia, LLC
Timbercreek HCC, LLC
Fondulac, LLC
Bloomington, LLC
Sunset HCC, LLC
Eastside, LLC
Cisne, LLC
Benton HCC, LLC
Ozark HCC, LLC
830 West Trailcreek Drive
Peoria, Illinois 61614
Attn: Mr. Mark B. Petersen

David R. Campbell
Getzler Henrich & Associates LLC
150 S. Wacker Drive
24th Floor | Chicago, IL 60606
dcampbell@getzlerhenrich.com

Gentlemen:

As you are aware, Capital Funding, LLC (“Lender”) is a senior secured lender to Batavia, LLC; Timbercreek HCC, LLC; Fondulac, LLC; Bloomington, LLC; Sunset HCC, LLC; Eastside, LLC; Cisne, LLC; Benton HCC, LLC; and Ozark HCC, LLC (collectively, “Borrowers” and each a “Borrower”) pursuant to loans made to each Borrower by Lender and insured by the United States Department of Housing and Urban Development. Each loan by Lender to a Borrower is secured by a mortgage on the real property owned by each Borrower on which either a skilled nursing or independent care facility (each a “Facility”). As you are further aware from our letters dated January 21, 2023, events of default have occurred under each loan and Lender declared the entirety of the indebtedness of each loan to be due and payable.

It has come to Lender’s attention that Borrowers may be further diminishing the value of Lender’s collateral due to their current financial crisis. Please advise no later than 5 p.m. CT on Monday, January 29, 2024 as to the following:

1. Are payroll taxes for each Facility current? Please provide evidence of same.
2. Are provider taxes for each Facility current? Please provide evidence of same.
3. Have any vendors threatened to or actually shut off services at any Facility?
4. Are Borrowers segregating funds for each Facility to comply with HUD’s prohibition on commingling of funds?
5. Please provide AP aging for each Facility.
6. Please provide a 13-week cash flow for each Facility.
7. Please provide proof of liability insurance for each Facility.

[Continued on Following Page]

Batavia, LLC, et al.
January 26, 2024
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Your prompt response is appreciated.

Very truly yours,

CAPITAL FUNDING, LLC

By: 
Jennifer M. Loucks
Vice President